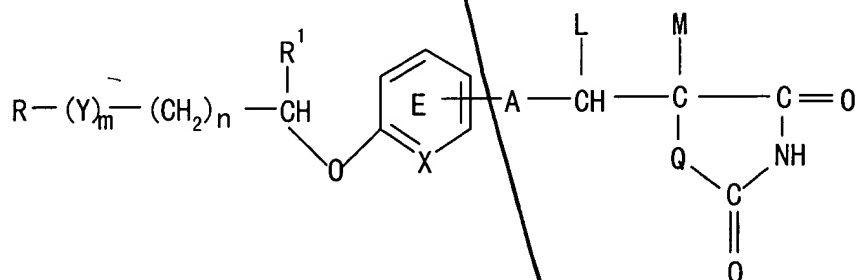


1. (AMENDED) A method for treating a Tumor Necrosis Factor-alpha mediated inflammatory disease in a mammal in need thereof, comprising administering an effective therapeutic amount of a compound of the formula:



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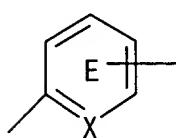
wherein R represents a hydrocarbon group that may be substituted or a heterocyclic group that may be substituted; Y represents a group of the formula -CO-, -CH(OH)-, or -NR<sup>3</sup>- where R<sup>3</sup> represents an alkyl group that may be substituted; m is 0 or 1; n is 0, 1 or 2; X represents CH or N; A represents a chemical bond or a bivalent aliphatic hydrocarbon group having 1 to 7 carbon atoms; Q represents oxygen or sulfur; R<sup>1</sup> represents hydrogen or an alkyl group; ring E may have further 1 to 4 substituents, which may form a ring in combination with R<sup>1</sup>; L and M respectively represent hydrogen or may be combined with each other to form a chemical bond; or a pharmacologically acceptable salt thereof, to said mammal such that said Tumor Necrosis Factor-alpha mediated disease is treated.

2. (Amended) A method according to Claim 1, wherein the heterocyclic group represented by R is a 5- to 7-membered monocyclic and heterocyclic group containing 1 to 4 hetero-atoms selected from oxygen, sulfur and nitrogen in addition to carbon as ring members or a condensed heterocyclic group.

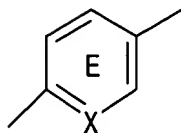
3. (Amended) A method according to Claim 1, wherein R represents a heterocyclic group that may be substituted.

4. (Amended) A method according to Claim 3, wherein the heterocyclic group is pyridyl, oxazolyl or thiazolyl.

5. (Amended) A method according to Claim 1, wherein the partial structural formula:



is the formula:



6. (Amended) A method according to Claim 1, wherein X represents CH.

7. (Amended) A method according to Claim 1, wherein R<sup>1</sup> represents hydrogen.

8. (Amended) A method according to Claim 1, wherein L and M respectively represent hydrogen.

9. (Amended) A method according to Claim 1, wherein the compound is 5-[4-[2-(5-ethyl-2-pyridyl)ethoxy]benzyl]-2,4-thiazolidinedione.

10. (Amended) A method according to Claim 1, wherein the compound is (R)-(+)-5-[3-[4-[2-(2-furyl)-5-methyl-4-oxazolylmethoxy]-3-methoxyphenyl]propyl]-2,4-oxazolidinedione.

13. (New) A method according to Claim 1, wherein the compound is 5-[[4-[2-(methyl-2-pyridylamino)ethoxy]phenyl]methyl]-2,4-thiazolidinedione.

14. (New) A method according to Claim 1, wherein the inflammatory disease are diabetic complications.

15. (New) A method according to Claim 14, wherein the diabetic complications is selected from the group consisting of retinopathy, nephropathy, neuropathy and disorders in the great arteries.

16. (New) A method according to Claim 1, wherein the inflammatory disease is rheumatoid arthritis.

17. (New) A method according to Claim 1, wherein the inflammatory disease is osteoarthritis.

18.(New) A method according to Claim 1, wherein the inflammatory disease is low back pain.

19.(New) A method according to Claim 1, wherein the inflammatory disease is gout.

20.(New) A method according to Claim 1, wherein the inflammatory disease is postoperative or traumatic inflammation.

21.(New) A method according to Claim 1, wherein the inflammatory disease is swelling.

22.(New) A method according to Claim 1, wherein the inflammatory disease is neuralgia.

23.(New) A method according to Claim 1, wherein the inflammatory disease is laryngopharyngitis.

24.(New) A method according to Claim 1, wherein the inflammatory disease is cystitis.

25.(New) A method according to Claim 1, wherein the inflammatory disease is hepatitis.

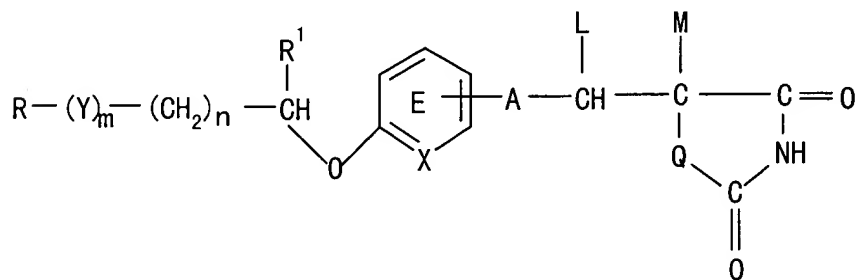
26.(New) A method according to Claim 1, wherein the inflammatory disease is pneumonia.

27.(New) A method according to Claim 1, wherein the compound is administered to the mammal at the dose of 0.1 mg/kg to 30 mg/kg.

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## Version with Markings to Show Changes Made

1. (AMENDED) A method for treating a Tumor Necrosis Factor-alpha mediated inflammatory disease in a mammal in need thereof, comprising administering an effective therapeutic amount of [An anti-inflammatory agent which affects by way of a TNF- $\alpha$  inhibitory action and comprises] a compound of the formula:



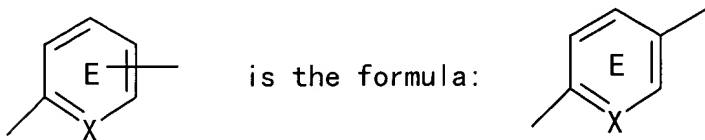
wherein R represents a hydrocarbon group that may be substituted or a heterocyclic group that may be substituted; Y represents a group of the formula -CO-, -CH(OH)-, or -NR<sup>3</sup>- where R<sup>3</sup> represents an alkyl group that may be substituted; m is 0 or 1; n is 0, 1 or 2; X represents CH or N; A represents a chemical bond or a bivalent aliphatic hydrocarbon group having 1 to 7 carbon atoms; Q represents oxygen or sulfur; R<sup>1</sup> represents hydrogen or an alkyl group; ring E may have further 1 to 4 substituents, which may form a ring in combination with R<sup>1</sup>; L and M respectively represent hydrogen or may be combined with each other to form a chemical bond; or a pharmacologically acceptable salt thereof, to said mammal such that said Tumor Necrosis Factor-alpha mediated disease is treated.

2. (Amended) A method [~~An anti-inflammatory agent~~] according to Claim 1, wherein the heterocyclic group represented by R is a 5- to 7-membered monocyclic and heterocyclic group containing 1 to 4 hetero-atoms selected from oxygen, sulfur and nitrogen in addition to carbon as ring members or a condensed heterocyclic group.

3. (Amended) A method [~~An anti-inflammatory agent~~] according to Claim 1, wherein R represents a heterocyclic group that may be substituted.

4. (Amended) A method [~~An anti-inflammatory agent~~] according to Claim 3, wherein the heterocyclic group is pyridyl, oxazolyl or thiazolyl.

5. (Amended) A method [~~An anti-inflammatory agent~~] according to Claim 1, wherein the partial structural formula:



6. (Amended) A method [~~An anti-inflammatory agent~~] according to Claim 1, wherein X represents CH.

7. (Amended) A method [~~An anti-inflammatory agent~~] according to Claim 1, wherein R<sup>1</sup> represents hydrogen.

8. (Amended) A method [~~An anti-inflammatory agent~~] according to Claim 1, wherein L and M respectively represent hydrogen.

9. (Amended) A method [~~An anti-inflammatory agent~~] according to Claim 1, wherein the compound is 5-[4-[2-(5-ethyl-2-pyridyl)ethoxy]benzyl]-2,4-thiazolidinedione.

10. (Amended) A method [~~An anti-inflammatory agent~~] according to Claim 1, wherein the compound is (R)-(+)-5-[3-[4-[2-(2-furyl)-5-methyl-4-oxazolylmethoxy]-3-methoxyphenyl]propyl]-2,4-oxazolidinedione.

11. (Cancelled)

12. (Cancelled)

13. (New) A method according to Claim 1, wherein the compound is 5-[[4-[2-(methyl-2-pyridylamino)ethoxy]phenyl]methyl]-2,4-thiazolidinedione.

14. (New) A method according to Claim 1, wherein the inflammatory disease are diabetic complications.

15.(New) A method according to Claim 14, wherein the diabetic complications is selected from the group consisting of retinopathy, nephropathy, neuropathy and disorders in the great arteries.

16.(New) A method according to Claim 1, wherein the inflammatory disease is rheumatoid arthritis.

17.(New) A method according to Claim 1, wherein the inflammatory disease is osteoarthritis.

18.(New) A method according to Claim 1, wherein the inflammatory disease is low back pain.

19.(New) A method according to Claim 1, wherein the inflammatory disease is gout.

20.(New) A method according to Claim 1, wherein the inflammatory disease is postoperative or traumatic inflammation.

21.(New) A method according to Claim 1, wherein the inflammatory disease is swelling.

22.(New) A method according to Claim 1, wherein the inflammatory disease is neuralgia.

23.(New) A method according to Claim 1, wherein the inflammatory disease is laryngopharyngitis.

24.(New) A method according to Claim 1, wherein the inflammatory disease is cystitis.

25.(New) A method according to Claim 1, wherein the inflammatory disease is hepatitis.

26.(New) A method according to Claim 1, wherein the inflammatory disease is pneumonia.

27.(New) A method according to Claim 1, wherein the compound is administered to the mammal at the dose of 0.1 mg/kg to 30 mg/kg.